

APR 15 2008

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U.S. COURT OF APPEALS

NOT FOR PUBLICATION

UNITED STATES COURT OF APPEALS

FOR THE NINTH CIRCUIT

In re: AMERICAN COMPUTER &
DIGITAL COMPONENTS, INC.,

Debtor,

ALAN SHEEN; JAMES SHEEN,

Appellants,

v.

U.S. TRUSTEE; AMERICAN
COMPUTER & DIGITAL
COMPONENTS, INC.; HARRIS TRUST
AND SAVINGS BANK,

Appellees.

No. 06-56297

BAP No. CC-05-01306-KPaB

MEMORANDUM^{*}

Appeal from the Ninth Circuit
Bankruptcy Appellate Panel

^{*} This disposition is not appropriate for publication and is not precedent except as provided by 9th Cir. R. 36-3.

^{**} This panel unanimously finds this case suitable for decision without oral argument. See Fed. R. App. P. 34(a)(2).

Brandt, Pappas, and Klein, Bankruptcy Judges, Presiding

Submitted April 11, 2008**

Pasadena, California

Before: BEEZER, T.G. NELSON, and SILVERMAN, Circuit Judges.

Alan Sheen and James Sheen appeal from the decision of the Bankruptcy Appellate Panel (“BAP”) affirming the judgment of the bankruptcy court. We have jurisdiction under 28 U.S.C. § 158(d). We review BAP’s decision de novo. *In re Bennett*, 298 F.3d 1059, 1063 (9th Cir. 2002). We review the bankruptcy court’s findings of fact for clear error and conclusions of law de novo. *Id.* We affirm.

There is ample evidence in the record that supports the bankruptcy court’s findings that the Sheens engaged in the wrongful conduct of fraud, conversion, and conspiracy; and that the Sheens’ wrongful conduct caused damages to Harris Trust & Savings Bank in the amount of \$20,295,111. Further, the evidence in the record does not leave us “with a definite and firm conviction that a mistake has been committed” by the bankruptcy court. *Amanda J. ex rel. Annette J. v. Clark County Sch. Dist.*, 267 F.3d 877, 887 (9th Cir. 2001) (citation and quotations omitted). Accordingly, we hold that the bankruptcy court did not clearly err in finding the Sheens liable for damages in the amount of \$20,295,111. *See id.*; *see also Frances T. v. Vill. Green Owners Ass’n*, 723 P.2d 573, 580 (Cal. 1986) (holding that

directors of a corporation “are liable to third persons injured by their own tortious conduct”).

AFFIRMED.